

First Steps

10-1-2010 Update

The following pages contain proposed and **approved** changes to the First Steps Program. Please refer to the individual pages for updates and implementation timelines. DDRS is continuing to review comments regarding the proposals, therefore, an implementation date has not been established for each activity. DDRS will release further details as individual proposals are finalized. You may submit comments or questions to: firststepsweb@fssa.in.gov

Effective 10-1-2010

Increase requirements for higher intensity services

Require State prior approval for the following:

- Delivery of an individual service at a frequency of 2 times per week or greater
- Delivery of an individual service over 60 minutes in duration

Considerations:

- Delivery of services continues to meet the intent of the early intervention system
- Resources to review PA's

Estimated Savings: **\$500,000**

Process: Notice to providers and SPOEs
 Develop internal review process

Effective 10-1-2010

Tighten enrollment requirements for Developmental Therapists

Enrollment Guidelines

- Degree in early childhood or special education with a focus on early childhood development
- DTs enrolled at an associate level for the first year. After one year, the provider may request to advance to the specialist level

Considerations

- Additional focus and expertise on early childhood development
- Increased supervision and quality controls
- Help to reduce the number of new providers coming into the system with minimal early childhood experience
- Existing providers would be “grandfathered” into the new requirements

Estimated Savings:

- Enrollment at Associate level **\$100,000** due to lower rate
- Stop gap for future spending due to the reduction of new providers coming into the system.

Process: Modification to personnel requirements

Effective 10-1-2010

Newborn Hearing Screenings (NBH)

Infants that do not pass their newborn hearing screen will be directed to their primary medical home for follow-up and necessary audiology evaluations

Considerations:

- ISDH holds the responsibility for coordination of the NBH process and rule making
- ISDH is supportive of the desire of First Steps to decrease involvement in follow-up activities
- Promotes coordination with primary care physician
- Time saving at the SPOE due to reduced intakes
- Reduced number of audiology evaluations

Estimated Savings: \$500,000 in audiology services

SPOE cost saving is undetermined at this time

Process:

Notification to ISDH, clarification to SPOEs, Notice to providers. ISDH will notify birthing hospitals and audiology staff.

Proposed

ED team evaluation procedures

Streamline evaluation procedures, while increasing responsibility of the ED team members to monitor the Individualized Family Service Plan (IFSP), including placing the teams under the SPOEs

- Limit minutes available for evaluation or establish a per assessment rate
- Limit minutes available for ongoing assessment and monitoring of the IFSP. Require written feedback on the child's progress and the appropriateness of the plan
- Limit annual evaluation to one ED team provider for those children with a medical diagnosis that meets eligibility
- Increased monitoring of ED team through per child cost analysis

Considerations:

- Limited reimbursement may result in reduced monitoring by ED team members

Estimated Savings : Cost saving is dependent on the approach, however ranges from **\$500,000 to \$1,000,000**

Process: Finalize rates, modifications to the ED team manual, modification to the SPOE contracts with ED team requirements (not required but may be recommended), report development for monitoring.

Effective 10-1-2010

Modify reimbursement for IFSP meeting attendance

Remove payment authorization for ongoing providers to attend IFSP meetings as a separate authorization. Parents may request provider's attendance at the IFSP meeting as a component of their ongoing service.

Considerations:

- Child progress, service recommendation and outcomes should be included in the required quarterly reports. Therefore, SCs and ED teams should have adequate information to develop the IFSP.

Estimated Savings :

- Cost saving is anticipated at **\$500,000**

Process: Process Clarification to SPOEs and providers

First Steps will honor any outstanding authorizations or written meeting invitations, issued prior to 10-1-2010. Without prior written approval, providers may bill on **either** the ongoing authorization or the IFSP meeting authorization. Billing for both ongoing service and meeting attendance will result in an audit finding. It is anticipated that effective 11-1-2010, CPT code T1023 will be added as an available selection within the service description.

Effective 10-1-2010

Increase provider education regarding appropriate services

Continued clarification of the following:

- Eligibility requirements
- No post operative services
- Appropriate use of informed clinical opinion

Consideration:

- Clarification will support best practices

Estimated Savings:

- While some cost savings may be noticed, reinforcement of policy services more as a “stop gap” for misuse of funds.

Process: Written clarification

Effective 10-1-2010

Improve guidelines for use of clinic setting

BCDS should provide clarification on when it may be appropriate to discuss with families the option of having services in a clinic setting. The following are examples of times when this discussion may be appropriate:

- Kids on the Autism spectrum
- Kids with auditory or visual impairment
- Evaluation days in clinic

Considerations:

- Rate for onsite services is 20% less than services in the natural environment
- Consideration should be given to paying onsite services at the Medicaid rate
- While emphasis is placed on the provision of services in the natural environment, Federal law does allow for case by case exceptions
- Cost saving is dependent on the final rates
- Monitoring for abuse or increase of services by provider groups would be necessary

Effective 11-1-2010

Increase Parent Participation

While current procedures require caregiver participation, consideration should be given to strengthen the participation of the parent

- Require **active parent participation** during sessions within the home
- Require **active caregiver participation** at every therapy session
- When services are provided outside of the home, require **active parent participation** at a minimum of 1 time per month
- Continue to enforce that parents must be present and involved in all evaluations

Considerations:

- Increase parent involvement resulting in greater education of parent to support their own child
- Inconvenience for some families
- Scheduling difficulties for providers-increased need for flexibility in scheduling
- Sets clear expectation for the First Steps program
- May need to better define “active participation”

Estimated Savings: Unknown at this time

Effective 11-1-2010

Three Month Authorizations

While the IFSP must be written for a one year period, service authorizations within the IFSP may be written for a shorter period of time. This would allow greater input from the ED team on the appropriateness of the services and require providers to provide input into the outcomes and progress of children

- Progress report with justification should be required prior to continue authorization of service
- Report must contain documentation of the ICD-9 code directly addressed by the service
- Prior to the addition of a service, an evaluation must be completed and ICD-9 code obtained.

Considerations:

- 3 month auths are standard practice in the health care industry
- Increase quality and use of ICD-9 codes will result in an increase in TPL reimbursement

Estimated Savings: *\$1,000,000*

Process: Policy clarification

Proposed

Provider Networks

Consolidation of providers to form networks/groups

- Multidisciplinary Agency (required to maintain 3 providers from each discipline: Developmental, Occupational, Physical, and Speech Therapy Providers with the ability to obtain and provide all other required e.i. services)
- Demonstrated successful ability to bill insurance
- Physical service location, open to the public 5 days per week during normal business hours
- Revenue streams outside of First Steps
- Quality Assurance structure with written policies and procedures, meeting contractual obligations, including but not limited to, compliance with FERPA and HIPAA.
- Structure that provides staff support, provides continued education and mentoring for providers, with a clear line of authority.

Considerations

- Reduced number of payees, allowing for increased monitoring and reduce administrative overhead
- Increase team communication and collaboration
- Increased local supervision of and increase mentoring of providers
- Potential for increased leverage to negotiate service areas and reduction in rates 5%
- Need to minimize disruption to families as providers leave or change employment: Consider honoring current auths and phase in new enrollment criteria
- Transition costs for Service Coordinators to facilitate changes

Process: Policy clarification, amendment of provider agreements and personnel guide

Effective 10-1-2010

SPOE/LPCC cost saving

Contract Cuts

15% cut of the SPOE/LPCC funding

Considerations:

- Need to “do things differently”
- Need to identify core processes and those that are “nice”
- Increase in caseloads
- Allow flexibility between LPCC and SPOE funding as new budgets are developed.

Estimated Savings: \$1.6m

Process: Contract amendment

Effective 10-1-2010

Cost Participation - Suspension of services for accounts 60 days or greater past due

First Steps is in the process of implementing procedures that would suspend services to families where the cost participation account is 60 days or greater past due. Families would remain eligible to receive those services for which Federal law does not allow a fee to be accessed.

Estimated savings: **\$150,000**

Effective 10-1-2010

Effective 5-1-2010

Assistive Technology

Eliminate the payment for orthotics as a First Steps service*.

Estimated Savings: **\$600,000**

***Completed May 2010**